

**STATEMENT OF CONGRESSMAN DANNY K. DAVIS AT THE
SUBCOMMITTEE ON FEDERAL WORKFORCE AND
AGENCY ORGANIZATION
ON RE-EMPLOYING ANNUITANTS**

Tuesday, July 26, 2006

Chairman Porter, under current law, a retired federal employee who is re-employed by the federal government may not simultaneously receive a federal retirement annuity and a federal salary. The Civil Service Retirement System and Federal Employees' Retirement System of title 5 stipulate that the Civil Service Retirement and Disability Fund annuity amount a re-employed retired federal employee receives shall be deducted from his or her pay.

There are exceptions to this regulation. In cases of emergencies that pose an immediate and direct threat to life and property or result from unusual circumstances, the Office of Personnel Management has the authority to grant waivers to the dual compensation ban on a case-by-case basis or to delegate waiver authority to agencies.

Federal agencies should be able to hire federal retirees without penalizing retirees. However, we must understand the impact of the re-employment of annuitants on new hires and whether or not agencies are effectively using human capital strategies to ensure that they have a workforce in place to accomplish their goals and missions.

I hope that the witnesses today will be able to provide us with insight on these matters related the re-employment of retirees, and I thank them for taking the time to testify before the Subcommittee about this issue.